

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

## Methods and Standards for Establishing Payment Rates for Non-Institutional Services **OUTPATIENT HOSPITAL SERVICES**

- a) In-state Outpatient Hospital Services
  - 1. Outpatient Hospital (Dental Services): Reimbursement for dental services performed in the outpatient department of the hospital shall be on a fee-forservice basis. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of dental services and the fee schedule and any annual/periodic adjustments to the fee schedule are published in N.J.A.C. 10:56-3.2 & 3.3. The State's fee schedule was originally set on January 1, 2008 and is effective for services provided on or after that date. All current rates and their corresponding effective dates are published on the Department's fiscal agent's website at www.nimmis.com under the link for "rate and code information".
  - 2. Outpatient Hospital (HealthStart): Reimbursement for HealthStart Health Support Services and Pediatric Continuity of Care shall be paid on a fee-forservice basis. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of Health Start services and the fee schedule and any annual/periodic adjustments to the fee schedule are published in N.J.A.C. 10:54-9.10. The State's fee schedule was originally set on January 1, 2008 and is effective for services provided on or after that date. All current rates and their corresponding effective dates are published on the Department's fiscal agent's website at www.njmmis.com under the link for "rate and code information".
  - 3. Outpatient Hospital (Renal Dialysis): Services for End-Stage Renal Disease (ESRD): Reimbursement for Renal Dialysis Services for ESRD shall be at 100 percent of the Medicare composite rate including any add-on charges.
  - 4. Outpatient Hospital (Medicare Deductible and Co-insurance Amounts): Medicare deductible and co-insurance amounts shall be reimbursed at 100 percent.
  - Outpatient Hospital (Laboratory/Pathology): 5. Most hospital outpatient department laboratory/pathology services are reimbursed on a fee-for-service basis using the Medicaid Laboratory/Pathology Fee Schedule. There are some exceptions for blood products and other laboratory services, such as pathology, that are reimbursed on a cost-to-charge ratio. Specimen drawing and collection are reimbursed separately. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of lab/pathology services and the fee schedule and any annual/periodic adjustments to the fee schedule are published in N.J.A.C. 10:52-10.2 & 10.3. The State's fee schedule was originally set on January 18,

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- 6. Outpatient Mental Health Services: Most outpatient mental health services are reimbursed on a fee-for-service basis. Exceptions are Revenue code range 900-904 that are reimbursed on a cost-to-charge ratio. State developed fee schedule rates are the same for both governmental and private providers of mental health services and the fee schedule and any annual/periodic adjustments to the fee schedule are published in N.J.A.C. 10:52-4.3. The State's fee schedule was originally set on December 15, 2008 and is effective for services provided on or after that date. All current rates and their corresponding effective dates are published on the Department's fiscal agent's website at <a href="www.njmmis.com">www.njmmis.com</a> under the link for "rate and code information".
- 7. All other outpatient hospital services shall be reimbursed according to the cost-to-charge reimbursement methodology. The cost-to-charge-ratio is a retrospective cost reimbursement rate and is an interim payment. Payments will be compared to each facility's final settlement. The only exceptions are those listed 1-6 above. Final settlements shall be reduced for hospital outpatient capital costs by 10 percent and reasonable cost of hospital outpatient services (net of outpatient capital cost) shall be reduced by 5.8 percent as reported in the Medicare Cost Report (HCFA-2552). This reduction shall be calculated when the Medicare Cost Report (HCFA-2552) is finalized and if the report is amended.

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